

REMARKS

Claims 3-22 are currently pending in the present application, with Claims 5, 20, 21, and 22 being amended. Reconsideration and reexamination of the claims are respectfully requested.

The Examiner objected to Claims 21 and 22 due to informalities. Applicant has amended Claims 21 and 22 and respectfully submit that the Examiner's objections are moot in view of the amendments.

The Examiner rejected Claims 3-5, 6, 8, and 21 under 35 U.S.C. § 102(b) as being anticipated by Nelson (U.S. Patent No. 3,448,635). This rejection is respectfully traversed with respect to the amended claims.

The present invention is directed to a differential system whereby a differential (such as differential housing 7A and 7B or differential 1A and 1B) is operative to be driven by a drive gear (such as 5A and 5B). In the claimed invention, the differential or differential housing is rotatable relative to the drive gear (and vice versa) and is operative to be driven by the drive gear.

Nelson does not contain any disclosure or suggestion of a differential or differential housing rotatable relative to a drive gear. Rather, Nelson illustrates a drive gear 34 and a differential housing 36 that is secured to each other by bolts 38 for integral rotation with one another. Although member 86 in Nelson is shown as rotatable relative to the drive gear 34, member 86 is not a differential or differential housing (differential mechanism shown in Nelson includes elements 54, 56, and 62, none of which are housed within member 86). Accordingly, Applicant respectfully submits that Claims 3-5, 6, 8, and 21 are not anticipated by, nor obvious in view of, Nelson.

In view of the foregoing, Applicant respectfully submits that all of the claims are in condition for allowance. Reconsideration and reexamination of the claims, as amended, are requested, and an early allowance is solicited. If the Examiner believes it would further

advance the prosecution of the present application, she is respectfully requested to contact the undersigned attorney.

In the unlikely event that the transmittal letter is separated from this document and the Patent Office determines that an extension and/or other relief is required, Applicant(s) petition(s) for any required relief including extensions of time and authorizes the Assistant Commissioner to charge the cost of such petitions and/or other fees due in connection with the filing of this document to Deposit Account No. 03-1952 referencing docket no. 482782005700.

Respectfully submitted,

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